

Annual Financial Statements

for

Musina Local Municipality

for the year ended 30 June: 2016

Province: Limpopo

AFS rounding: R (i.e. only cents)

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Musina Local Municipality
ANNUAL FINANCIAL STATEMENTS
for the year ended 30 June 2016

	Appointment date	
Mayor	July 2014	Note to U
Member	May 2011	
Member of the Executive Committee	May 2011	<u>Include d:</u>
Member	May 2011	
Member	May 2011	
Member	May 2011	
Member	May 2011	
Member	May 2011	
Member	May 2011	
Member	May 2011	
Member	May 2011	
Member	March 2013	
Member	November 2013	
y		

lser:

ates appointed, resigned, deceased, etc

I Municipality
AL STATEMENTS
ed 30 June 2016

Musina Municipality

Civic Centre
21 Irwin Street
Musina
0900

Private bag X611
Musina
0900

0155346100

0155342513

vhutshilot@musina.gov.za

Musina Local Municipality
ANNUAL FINANCIAL STATEMENTS
for the year ended 30 June 2016

nts

these annual financial statements, which are set out on pages 1 to 61, in terms
nce Management Act and which I have signed on behalf of the Municipality.
and benefits of Councillors, loans made to Councillors, if any, and payments
any, as disclosed in note 26 of these annual financial statements are within the
red in Section 219 of the Constitution, read with the Remuneration of Public
Provincial and Local Government's determination in accordance with this Act.

insert date of signature of financial statements

Musina Local Municipality
ANNUAL FINANCIAL STATEMENTS
for the year ended 30 June 2016

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Musina Local Municipality STATEMENT OF FINANCIAL POSITION for the year ending 30 June 2016				
	Note	2016 R	2015 R	
ASSETS				
Current assets				
Cash and cash equivalents	1	784 897	1 523 711	738 813
Receivables from exchange transactions	2	7 774 343	6 915 793	-858 549
Receivables from non-exchange transactions	3	135 906 336	90 026 471	-45 879 865
Inventories	4	43 976 832	51 326 762	7 349 929
Investments	5	11 676 375	10 936 963	-739 411
VAT receivable	12	17 617 749	13 737 075	-3 880 674
Non-current assets				
Property, plant and equipment	6	262 327 691	275 281 914	12 954 223
Heritage assets	9	78 910	78 910	-
Intangible assets	7	62 043	93 056	31 013
Investment property	8	175 731 201	175 385 300	-345 901
Total assets		655 936 377	625 305 955	-30 630 422
LIABILITIES				
Current liabilities				
Payables from exchange transactions	10	169 294 296	103 968 931	-65 325 366
Consumer deposits	11	4 496 302	4 324 679	-171 623
Payables from non exchange transactions	13	173 020 970	127 750 911	-45 270 060
Employee Benefit & Provisions	14	3 418 024	3 145 307	-272 717
Unspent conditional grants.	15	-	8 455 860	8 455 860
Borrowings	16	6 167 559	5 641 742	-525 817
Finance lease liability	17	34 604	676 142	641 538
Non-current liabilities				
Borrowings	16	16 108 505	22 251 517	6 143 012
Finance lease liability	17	-	34 538	34 538
Landfill Site	18	8 465 283	7 948 393	-516 890
Post Retirement Medical Aid Benefits	43	12 604 435	9 350 511	-3 253 924
Employee Benefit & Provisions	14	4 288 202	3 562 670	-725 532
Total liabilities		397 898 180	297 111 202	-100 786 979
Total net assets		258 038 197	328 194 753	70 156 556

balance check

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In balance

In balance

Musina Local Municipality
STATEMENT OF FINANCIAL PERFORMANCE
for the year ending 30 June 2016

	Note	2016 R	2015 R
Revenue			
Revenue from exchange transactions			
Service charges	20	104 476 535	90 495 146
Rental of facilities and equipment	21	455 642	452 677
Interest earned - external investments	22	897 003	771 849
Interest earned - outstanding receivables	23	1 852 953	1 754 820
Licences and permits		4 149 633	4 437 228
Other revenue	25	8 408 719	10 572 372
Revenue from non exchange transactions			
Government grants and subsidies	24	73 119 859	54 496 745
Property rates	19	13 396 397	12 286 627
Fines		3 578 200	3 540 850
Total		210 334 941	178 808 313
Expenses			
Employee related costs	26	98 891 829	89 855 234
Remuneration of councillors	27	3 926 484	3 724 335
Prov Bad debts		7 624 416	5 017 721
Collection costs		1 837	13 793
Depreciation and amortisation expense	28	25 546 043	27 052 096
Repairs and maintenance	29	8 180 614	10 802 984
Finance costs	30	2 646 592	3 117 486
Bulk purchases	31	61 215 543	52 651 004
Contracted services	32	5 328 025	5 734 784
Grants and subsidies paid	33	3 149 009	3 327 661
Operational Grant Expenditure	50	3 852 000	3 801 000
General expenses	34	51 338 086	38 017 933
Total		271 700 478	243 116 030
Gain / (loss) on sale of assets		153 219	-3 718 911
(Impairment loss) / Reversal of impairment loss	35	8 637 799	4 763 749
Profit / (loss) on fair value adjustment	36	-	26 649 300
Surplus / (deficit) for the period		-70 156 556	-36 613 580

280 491 496.23

Musina Local Municipality STATEMENT OF CHANGES IN NET ASSETS for the year ended 30 June 2016			
	Note	Accumulated	Total: Net Assets
		Surplus/(Deficit)	
		R	R
balance 2014		365 377 495	365 377 495
Prior year error	39	-569 163	-569 163
Surplus / (deficit) for the period		-36 613 580	-36 613 580
Restated balance June 2015		328 194 753	328 194 753
Equitable share set off		-	-
Surplus / (deficit) for the period		-70 156 556	-70 156 556
for the year ended June 2016		258 038 197	258 038 197

balance check - Stat of financial position
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In balance

Budgeted Financial Performance (revenue and expenditure) 2015/2016

Original Budget	Budget Adjustments (i.t.o. s28 and s31 of the MFMA)	Final adjustments budget	Shifting of funds (i.t.o. s31 of the MFMA)	Virement (i.t.o. Council approved policy)	Final Budget	Actual Outcome	Unauthorised expenditure	Variance	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget
1	2	3	4	5	6	7	8	9	10	11
15 163 000	(541 733)	14 621 267		-	14 621 267	13 396 397		(1 224 870)	92	(8)
95 421 887	2 269 604	97 691 491		-	97 691 491	91 623 988		(6 067 503)	94	(6)
14 489 383	443 257	14 932 640		-	14 932 640	12 852 547		(2 080 093)	86	(14)
-	597 845	597 845		-	803 000	455 642		(347 358)	57	-
210 000	336 888	546 888		-	546 888	897 003		350 115	164	-
2 163 000	(204 636)	1 958 364		-	1 958 364	1 852 953		(105 411)	95	(5)
1 037 245	-	1 037 245		-	1 073 245	3 578 200		2 504 955	333	242
9 521 214	(5 947 828)	3 573 386		-	4 573 000	4 149 633		(423 367)	91	(4)
51 587 000	-	51 587 000		-	51 587 000	51 587 000		-	100	-
39 050 607	(5 443 196)	33 607 411		-	33 607 411	8 408 719		(25 198 692)	25	(65)
228 643 336	(8 489 799)	220 153 537	-	-	221 394 306	188 802 081	-	(32 592 225)	1 136	139
100 564 364	(1 485 696)	99 078 668		(1 897 041)	97 181 627	98 891 829		1 710 202	102	2
3 911 811	14 672	3 926 483		-	3 926 483	3 926 484		1	100	0
		8 637 799			8 637 799	8 637 799				-
					-	1 763 484				-
529 000	6 965 428	7 494 428		-	7 494 428	5 860 932		(1 633 496)	78	(309)
26 394 000	-	26 394 000		-	26 394 000	25 546 043		(847 957)	97	(3)
1 735 578	1 850 220	3 585 798		-	3 585 798	2 646 592		(939 206)	74	(54)
42 276 730	17 752 908	60 029 638		1 247 604	61 277 242	61 215 543		(61 699)	100	(0)
11 906 470	(252 908)	11 653 562		(3 445 323)	8 208 239	8 180 614		(27 625)	100	(0)
3 501 664	1 850 000	5 351 664		-	5 351 664	5 328 025		(23 639)	100	(1)
7 687 712	(692 600)	6 995 112		6 000	7 001 112	7 001 009		(103)	100	(0)
17 894 444	24 643 922	42 538 366		4 088 760	46 627 126	51 493 143	-	4 866 017	110	27
		-			-	-	-			
216 401 773	50 645 946	275 685 518	-	-	275 685 518	280 491 496.37	-	3 042 494	960	(338)
12 241 563	(59 135 745)	(55 531 981)	-	-	(54 291 212)	(91 689 415)	-	(35 634 719)	176	477

ollowed up.
d budget covers the physical period from 1 July 2015 to June 2016
ces of reallocation within the budget.

BUDGET FINANCIAL POSITION 2015/2016

Original Budget	Total Adjusts.	Adjusted Budget	Actual Outcome	Variance	Actual Outcome as % of Final Budget
1 682 000		1 682	784 897	-897 103	46.66%
10 632 000	617	11 249	7 774 343	-3 474 657	69.11%
38 359 000		38 359	135 906 336	97 547 336	354.30%
-	-	-	17 617 749	17 617 749	0.00%
57 645 000		57 645	43 976 832	-13 668 168	76.29%
108 318 000.00	617	108 935	206 060 158	97 125	546.37%

16 515 000		16 515 000	11 676 375	-4 838 625	70.70%
140 534 000		140 534 000	175 731 201	35 197 201	125.05%
58 720 600	284 296 000	343 016 600	262 327 691	-80 688 909	76.48%
		-	78 910	78 910	0.00%
306 000		306 000	62 043	-243 957	20.28%
		-		-	
216 075 600	284 296 000	500 371 600	449 876 219	(50 495)	292.50%
324 393 600	284 913 000	609 306 600	655 936 377	46 630	838.87%

4 163 000	241 000	-	6 167 559	1 763 559	140.04%
		4 404 000	34 604	34 604	0.00%
		-	4 496 302	4 496 302	0.00%
285 622 600	286 147 000	571 769 600	342 315 267	-229 454 333	59.87%
1 571 000	-1 571 000	-	3 418 024	3 418 024	0.00%
291 356 600	284 817 000	576 173 600	356 431 756	(219 742)	199.91%

24 242 000	1 406 000	25 648 000	16 108 505	-9 539 495	62.81%
1 485 000	86 000	1 571 000	25 357 920	23 786 920	1614.13%
25 727 000	1 492 000	27 219 000	41 466 425	14 247	1676.93%
317 083 600	286 309 000	603 392 600	397 898 180	(205 494)	1876.85%

7 310 000	-1 396 000	5 914 000	258 038 197	252 124	-1037.98%
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Budgeted Cash Flows 2015/2016

Original Budget	Budget Adjustments (i.t.o. s28)	Final adjustments budget	Final Budget	Actual Outcome	Variance	Actual Outcome as % of Final Budget
174 683 336	-8 622 051	166 061 285	167 302 054	157 215 243	10 087	93.97%
51 587 000	-1 241 000	50 346 000	50 346 000	50 346 000	—	100.00%
14 318 000	-	14 318 000	-	14 318 000	(14 318)	0.00%
2 373 000	132 252	2 505 252	2 505 252	2 749 956	(245)	109.77%
					—	0.00%
					—	0.00%
180 055 483	42 516 898	222 578 381	222 572 381	197 573 930	24 998	88.77%
1 735 578	-	1 735 578	1 735 578	2 646 592	(911)	152.49%
7 687 712	-686 600	6 995 112	7 001 112	7 001 009	0	100.00%
53 482 563	-51 561 097	1 921 466	-11 155 765	17 407 668	19 612	0

		-		13 206 890	(13 207)	0.00%
		-				
		-				
		-				
-		-		-25 231 691	25 232	0.00%
-	-	-	-	-12 024 801	12 025	—

				-676 076	676	0.00%
				-5 617 195	5 617	0.00%
-				171 623	(172)	0.00%
-						
-	-	-	-	-6 121 648	6 122	—

53 482 563	-51 561 097	1 921 466	-11 155 765	-738 781		
-				1 523 711		
-				784 930		

Musina Local Municipality CASH FLOW STATEMENT for the year ended 30 June 2016			
	Note	2016 R	2015 R
OPERATING ACTIVITIES			
Receipts		224 629 199	173 471 448
Sales of goods and services		115 812 902	80 057 575
Grants		64 664 000	61 711 820
Interest received		2 749 956	2 419 264
Other receipts		41 402 341	29 282 769
Payments		207 221 531	147 288 923
Employee costs		98 566 140	94 195 925
Suppliers		106 008 799	46 634 058
Interest paid		2 646 592	6 458 940
Net cash from operating activities		17 407 668	26 182 524
INVESTING ACTIVITIES			
Purchase of fixed assets		-25 231 691	-20 445 217
Proceeds from sale of fixed assets		13 206 890	
Net cash from operating activities		-12 024 801	-20 445 217
FINANCING ACTIVITIES			
Decrease Finance Lease		-676 076	-
Decrease in long term Loans		-5 617 195	-5 899 274
Increase/Decrease in consumer depos		171 623	128 162
Net		-6 121 648	-5 771 112
Net increase / (decrease)		-738 781	-33 804
Net at beginning of period		1 523 711	1 557 515
Net at end of period	37	784 930	1 523 711

balance check

In balance

In balance

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
30 JUNE 2016

BASIS OF ACCOUNTING

1.1 BASIS OF PRESENTATION

The annual financial statements have been prepared on an accrual basis of accounting and are in accordance with historical cost convention unless specified otherwise.

These annual financial statements have been prepared in accordance with Generally Recognised Accounting Practice (GRAP), issued by the Accounting Standards Board in accordance with Section 122(3) of the Municipal Finance Management Act, (Act No 56 of 2003).

The principal accounting policies adopted in the preparation of these annual financial statements are set out below.

Assets, liabilities, revenues and expenses have not been offset except when offsetting is required or permitted by a Standard of GRAP.

The accounting policies applied are consistent with those used to present the previous year's financial statements, unless explicitly stated. The details of any changes in accounting policies are explained in the relevant policy.

1.2 PRESENTATION CURRENCY

These annual financial statements are presented in South African Rand, which is the functional currency of the municipality.

1.3 GOING CONCERN ASSUMPTION

These annual financial statements have been prepared on the assumption that the municipality will continue to operate as a going concern for at least the next 12 months.

1.4 COMPARATIVE INFORMATION

Budget information in accordance with GRAP 1 and 24, has been provided as a note to these financial statements and forms part of the audited annual financial statements.

When the presentation or classification of items in the annual financial statements is amended, prior period comparative amounts are restated. The nature and reason for the reclassification is disclosed. Where accounting errors have been identified in the current year, the correction is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly. Where there has been a change in accounting policy in the current year, the adjustment is made retrospectively as far as is practicable, and the prior year comparatives are restated accordingly.

1.5 STANDARDS, AMENDMENTS TO STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE

GRAP 20

Grap 32

Grap 108

Grap 109

PROPERTY, PLANT AND EQUIPMENT

2.1 INITIAL RECOGNITION

Property, plant and equipment are tangible non-current assets (including infrastructure assets) that are held for use in the production or supply of goods or services, rental to others, or for administrative purposes, and are expected to be used during more than one year. Items of property, plant and equipment are initially recognised as assets on acquisition date and are initially recorded at cost. The cost of an item of property, plant and equipment is the purchase price and other costs attributable to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by the municipality. Trade discounts and rebates are deducted in arriving at the cost. The cost also includes the necessary costs of dismantling and removing the asset and restoring the site on which it is located.

When significant components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Where an asset is acquired by the municipality for no or nominal consideration (i.e. a non-exchange transaction), the cost is deemed to be equal to the fair value of that asset on the date acquired.

Where an item of property, plant and equipment is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, it's deemed cost is the carrying amount of the asset(s) given up.

Major spare parts and servicing equipment qualify as property, plant and equipment when the municipality expects to use them during more than one period. Similarly, if the major spare parts and servicing equipment can be used only in connection with an item of property, plant and equipment, they are accounted for as property, plant and equipment.

2.2 SUBSEQUENT MEASUREMENT - COST MODEL

Subsequent to initial recognition, items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated as it is deemed to have an indefinite useful life.

Where the municipality replaces parts of an asset, it derecognises the part of the asset being replaced and capitalises the new component. Subsequent expenditure incurred on an asset is capitalised when it increases the capacity or future economic benefits associated with the asset.

2.3 DEPRECIATION

Depreciation is calculated at historical cost, using the straight-line method over the estimated useful lives of the assets. Components of assets that are significant in relation to the whole asset and that have different useful lives are depreciated separately. The annual depreciation rates are based on the following estimated average asset lives:

Infrastructure	
Infrastructure Assets	<u>Years</u>
Roads, pavement, double seals, road signs and Road markings	15-40
Street names, signs and parking meters	5
Car parks, bus terminals and taxi ranks	20
Electricity - Mass lights	15
Electricity - Transformers	15
Electricity - Street lights	15
Housing	30
Street lighting	25
Refuse sites	30



Community Assets	
Parks and gardens	30
Sport fields	30
Community halls	30
Libraries	30
Recreation facilities	30
Clinics	30
Fire services	30
Cemeteries	30
Other Assets	
Motor vehicles	5
Plant and equipment	5
Security measures	3
Buildings	30
IT equipment	3
Office equipment	5



Land is not depreciated as it is regarded as having an infinite life.

The useful life of an item of property plant and equipment is reviewed periodically and, if expectations are significantly different from previous estimates, the depreciation charge from the current and future periods gets adjusted. During the year items of property, plant and equipment useful life was assessed and based on the assesment there were no changes to prior year estimates.

2.4 DERECOGNITION

Items of Property, plant and equipment are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset. The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying value and is recognised in the Statement of Financial Performance.

3 HERITAGE ASSETS

3.1 INITIAL RECOGNITION

Heritage assets are assets that have a cultural, environmental, historical, natural, scientific, technological or artistic significance and are held indefinitely for the benefit of present and future generations

At initial recognition, the municipality measurer's heritage assets at cost once it meets the definition of heritage assets. However, where heritage was acquired through a non-exchange transaction (i.e. where it acquired the heritage assets for no or a nominal value), its cost is its fair value as at the date of acquisition.

3.2 SUBSEQUENT MEASUREMENT – REVALUATION MODEL

After recognition as an asset, a class of heritage assets, whose fair value can be measured reliably, shall be carried at a revalued amount, being its fair value at the date of the revaluation less any subsequent impairment losses. Revaluations shall be made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the reporting date.

3.3 Derecognition

When the heritage assets are permanently withdrawn from use and no future economic benefits or service potential is expected from its disposal. A disposal can be, for example, when an asset is: sold, donated, transferred, etc. The gain or loss is recognised in surplus or deficit when the asset is derecognized.

INTANGIBLE ASSETS

4.1 INITIAL RECOGNITION

An intangible asset is an identifiable non-monetary asset without physical substance. The municipality recognises an intangible asset in its Statement of Financial Position only when it is probable that the expected future economic benefits or service potential that are attributable to the asset will flow to the municipality and the cost or fair value of the asset can be measured reliably.

Intangible assets are initially recognised at cost.

Where an intangible asset is acquired by the municipality for no or nominal consideration (i.e. a non-exchange transaction), the cost is deemed to be equal to the fair value of that asset on the date acquired.

Where an intangible asset is acquired in exchange for a non-monetary asset or monetary assets, or a combination of monetary and non-monetary assets, the asset acquired is initially measured at fair value (the cost). If the acquired item's fair value was not determinable, it's deemed cost is the carrying amount of the asset(s) given up.

After initial recognition, an intangible asset is carried at its cost less any accumulated impairment losses and amortisation. Amortisation is charged on a straight-line basis over their useful life which is estimated to be between 3 and 5 years. The useful life of an intangible asset is the period over which that asset is expected to be available for use of by the municipality. Where intangible assets are deemed to have an indefinite useful life, such intangible assets are not amortised, but are tested for impairment annually and impaired if necessary.

Where items of intangible assets have been impaired, the carrying value is adjusted by the impairment loss, which is recognised as an expense in the period that the impairment is identified except where the impairment reverses a previous revaluation.

The estimated useful life and amortisation methods are reviewed annually at the end of the financial year. Any adjustments arising from the annual review are applied prospectively.

Intangible assets are recognised at cost. Cost is defined as the amount of cash or cash equivalents paid or the fair value of the other considerations given to acquire the asset at the time of its acquisition or construction. Only cost incurred on computer software and websites that meet the definition of an intangible asset are recognised as permitted in terms of Directive 4. All other cost incurred on intangible assets during the exemption period has been expensed.

4.2 SUBSEQUENT MEASUREMENT - COST MODEL

Intangible assets are subsequently carried at cost less accumulated amortisation and impairments. The cost of an intangible asset is amortised over the useful life where that useful life is finite. Where the useful life is indefinite, the asset is not amortised but is subject to an annual impairment test.

4.3 **AMORTISATION AND IMPAIRMENT**

Amortisation is charged so as to write off the cost or valuation of intangible assets over their estimated useful lives using the straight line method. The annual amortisation rates are based on the following estimated average asset lives:

Computer software 3-5

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at each reporting date and any changes are recognised as a change in accounting estimate in the Statement of Financial Performance.

The municipality tests intangible assets with finite useful lives for impairment where there is an indication that an asset may be impaired. An assessment of whether there is an indication of possible impairment is done at each reporting date. Where the carrying amount of an item of an intangible asset is greater than the estimated recoverable amount (or recoverable service amount), it is written down immediately to its recoverable amount (or recoverable service amount) and an impairment loss is charged to the Statement of Financial Performance.

4.4 **DERECOGNITION**

Intangible assets are derecognised when the asset is disposed of or when there are no further economic benefits or service potential expected from the use of the asset. The gain or loss arising on the disposal or retirement of an intangible asset is determined as the difference between the sales proceeds and the carrying value and is recognised in the Statement of Financial Performance.

INVESTMENT PROPERTY

5.1 **INITIAL RECOGNITION**

Investment property includes property held to earn income, or capital appreciation rather than held to meet service delivery objectives, the production or supply of goods or services, or the sale of an asset in the ordinary course of operations.

At initial recognition, the municipality measures investment property at cost including transaction costs once it meets the definition of investment property. However, where an investment property was acquired through a non-exchange transaction (i.e. where it acquired the investment property for no or a nominal value), its cost is its fair value as at the date of acquisition.

The cost of self-constructed investment property is the cost at date of completion.

An asset is derecognised when it is disposed off or when no future economic benefits or service potential is expected. Any gain or loss is recognised in surplus or deficit.,

5.2 **SUBSEQUENT MEASUREMENT - FAIR VALUE MODEL**

Investment property is measured using the fair value model. Under the fair value model, investment property is carried at its fair value at the reporting date. Any gain or loss arising from a change in the fair value of the property is included in surplus or deficit for the period in which it arises.

Note: Delete wording that is not applicable.

Musina Local Municipality

NOTES TO THE FINANANCIAL STATEMENTS

for the year ended 30 June 2016

MFMA & standards ref:

REFERENCE

NOTE TO USER: THESE NOTES ,
SHOULD BE TAILORED TO S
MUNICIPALITY. PAY PARTICULAR
THESE ARE EXAMPLES ONLY A
HOWEVER, ALL THE DISCLOSUR
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	2016	2015
CASH AND CASH EQUIVALENTS		
Cash at bank	784 897	1 523 711
Total	784 897	1 523 711

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The Municipality has the following bank accounts: -

MFMA S125 (2) (a)

Current Account (Primary Bank Account)

ABSA Bank Limited - Musina Branch: Account Number 2050550179

Cash book balance at beginning of year	772 599	1 360 861
Cash book balance at end of year	496 096	772 599
Bank statement balance at beginning of year	793 049	1 366 939
Bank statement balance at end of year	496 861	793 049

Note: Delete unused rows, and add any additional rows as required

784 897

Current Account (Traffic Account)

ABSA Bank Limited - Musina Branch: Account Number 4074881456

Cash book balance at beginning of year	751 112	196 655
Cash book balance at end of year	288 801	751 112
Bank statement balance at beginning of year	751 112	196 655
Bank statement balance at end of year	288 801	751 112
Total	784 897	1 523 711
Total bank overdraft	-	-

RECEIVABLES FROM EXCHANGE TRANSACTIONS

	Gross Balances	Provision for Doubtful Debts	Net Balance
--	----------------	------------------------------	-------------

Electricity	5 356 641	-1 890 601	3 466 040
Other	1 280 921	-365 102	915 819
Refuse	4 615 243	-1 222 760	3 392 484
for the year ending 30 June 2016	11 252 806	-3 478 463	7 774 343

Electricity	3 458 417	-1 241 888	2 216 530
Other	1 258 060	-404 835	853 225
Refuse	4 383 155	-537 116	3 846 039
for the year ending 30 June 2015	9 099 633	-2 183 840	6 915 793

MFMA & standards ref:

Musina Local Municipality NOTES TO THE FINANANCIAL STATEMENTS for the year ended 30 June 2016		
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REFERENCE

NOTE TO USER: THESE NOTES ,
SHOULD BE TAILORED TO S
MUNICIPALITY. PAY PARTICULAR
THESE ARE EXAMPLES ONLY A

	2016	2015	
<u>Summary of Debtors by Customer Classification</u>	Consumers	Industrial / Commercial	National and Provincial Government
as at 30 June 2016			
Current (0 – 30 days)	875 513	377 405	100 384
31 - 60 Days	478 343	213 617	106 323
61 - 90 Days	340 993	155 632	112 597
91 - 120 Days	286 895	129 447	99 260
121 - 365 Days	730 640	113 679	286 970
+ 365 Days	4 939 140	570 287	955 739
Sub-total	7 651 523	1 560 067	1 661 272
Less: Provision for doubtful debts	-607 503	-1 907 247	
Total debtors by customer classification	7 044 020	-347 180	1 661 272
			8 358 112

10 872 862.20 9099633.08 1 773 9.12
8 358 112.20 -6 685 703
Note: The inputted m

	Consumers	Industrial / Commercial	National and Provincial Government
<u>Summary of Debtors by Customer Classification</u>			
as at 30 June 2015			
Current (0 – 30 days)	720 741	190 578	75 128
31 - 60 Days	283 568	129 887	81 220
61 - 90 Days	221 611	34 689	79 005
91 - 120 Days	224 359	32 003	68 892
121 - 365 Days	598 575	68 829	252 520
+ 365 Days	4 805 872	553 900	678 257
Sub-total	6 854 726	1 009 885	1 235 021
Less: Provision for doubtful debts	-2 183 840		
Total debtors by customer classification	4 670 887	1 009 885	1 235 021
			6 915 793

9 099 633
IFRS 7 (ED 52)
Note: The figure inp be negati

Reconciliation of the doubtful debt provision - Receivables from exchange transactions

Balance at beginning of the year	2 183 840	4 136 590	
Contribution to provision	1 746 852	-1 543 731	
Doubtful debts written off against provision	-452 229	-409 019	
Balance at end of year	3 478 463	2 183 840	17 561 520 -16 241 967

RECEIVABLES FROM NON-EXCHANGE TRANSACTIONS

IAS 39

	Gross Balances	Provision for Doubtful Debts	Net Balance
as at 30 June 2016	155 526 243	-19 619 907	135 906 336
Assessment Rates	20 999 666	-14 083 057	6 916 609
Traffic Fines	7 382 466	-5 536 850	1 845 616
Sundry Debtors	201 386	-	201 386
Unmetered Consumption	692 717	-	692 717
Cut off revenue	3 607 245	-	3 607 245
Auction Stands	237 000	-	237 000
Vhembe District	122 405 762	-	122 405 762
as at 30 June 2015	103 777 257	-13 750 786	90 026 471
Assessment Rates	15 831 723	-9 977 421	5 854 301
Traffic Fines	5 390 522	-3 773 365	1 617 157
Sundry Debtors	515 960	-	515 960
Unmetered Consumption	1 196 307	-	1 196 307
Cut off revenue	3 940 203	-	3 940 203

Musina Local Municipality

NOTES TO THE FINANANCIAL STATEMENTS

for the year ended 30 June 2016

MFMA & standards ref:

REFERENCE

NOTE TO USER: THESE NOTES ,
SHOULD BE TAILORED TO S
MUNICIPALITY. PAY PARTICULAR
THESE ARE EXAMPLES ONLY A

	2016	2015
Vhembe District	76 902 542	-
	76 902 542	

**Other receivables have been assessed for impairment at year end

Musina Local Municipality
NOTES TO THE FINANANCIAL STATEMENTS
for the year ended 30 June 2016

REFERENCE

NOTE TO USER: THESE NOTES ,
 SHOULD BE TAILORED TO S
 MUNICIPALITY. PAY PARTICULAR
 THESE ARE EXAMPLES ONLY A

	2016	2015	
<u>Summary of Debtors by Customer Classification - Assesment Rates</u>			
	Consumers	Industrial / Commercial	National and Provincial Government
as at 30 June 2016			
Current (0 – 30 days)	2 311 118	158 294	17 741
31 - 60 Days	289 631	112 005	17 431
61 - 90 Days	271 070	107 042	17 429
91 - 120 Days	252 181	106 404	17 426
121 - 365 Days	730 673	308 988	48 508
+ 365 Days	9971786	5 228 816	1 093 651
Sub-total	13 826 460	6 021 549	1 212 186
Less: Provision for doubtful debts	-5 323 427	-8 864 464	
Total debtors by customer classification	8 503 033	-2 842 915	1 212 186
			<u>6 872 304</u>

21 060 194.89
 -14 187 891

<u>Summary of Debtors by Customer Classification</u>	Consumers	Industrial / Commercial	National and Provincial Government	
as at 30 June 2015				
Current (0 – 30 days)	394 151	135 659	16 659	
31 - 60 Days	263 050	95 041	16 362	
61 - 90 Days	245 411	90 056	16 332	
91 - 120 Days	522 206	89 237	14 734	
121 - 365 Days	607 374	282 779	66 404	
+ 365 Days	7 896 386	4 318 636	761 247	
Sub-total	9 928 577	5 011 408	891 738	15 831 723
Less: Provision for doubtful debts	-6 078 200	-3 899 221		
Total debtors by customer classification	3 850 377	1 112 187	891 738	5 854 302
			<u>5 854 302</u>	

Reconciliation of doubtful debt provision - Assesment Rates

Balance at beginning of the year	9 977 421	7 213 108
Contribution to provision	4 114 080	2 788 087
Doubtful debts written off against provision	-8 445	-23 773
Balance at end of year	14 083 057	9 977 421

Musina Local Municipality

NOTES TO THE FINANANCIAL STATEMENTS

for the year ended 30 June 2016

MFMA & standards ref:

REFERENCE

NOTE TO USER: THESE NOTES ,
SHOULD BE TAILORED TO S
MUNICIPALITY. PAY PARTICULAR
THESE ARE EXAMPLES ONLY A

	2016	2015
INVENTORIES		
Opening balance of inventories:	51 326 762	56 524 667
Consumable stores	1 616 761	2 084 667
Stands held for resale	49 710 000	54 440 000
Additions:	3 881 122	1 910 454
Consumable stores	3 881 122	1 910 454
Issued (expensed):	-11 231 051	-7 108 359

ARE BASED ON COMMONLY APPLICABLE ITEMS AND
VARY WITH THE INDIVIDUAL CIRCUMSTANCES OF EACH
SITUATION. ATTENTION TO DISCLOSURES HIGHLIGHTED IN BLUE
AND REQUIRE SIGNIFICANT INPUT FROM THE USER.
ITEMS SHOULD BE REVIEWED FOR ACCURACY AND NOT
ONLY THE BLUE ITEMS.

ARE BASED ON COMMONLY APPLICABLE ITEMS AND
VARY WITH THE INDIVIDUAL CIRCUMSTANCES OF EACH
ITEM. ATTENTION TO DISCLOSURES HIGHLIGHTED IN BLUE
AND REQUIRE SIGNIFICANT INPUT FROM THE USER.

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ARE BASED ON COMMONLY APPLICABLE ITEMS AND
SUIT THE INDIVIDUAL CIRCUMSTANCES OF EACH
ATTENTION TO DISCLOSURES HIGHLIGHTED IN BLUE
AND REQUIRE SIGNIFICANT INPUT FROM THE USER.

ARE BASED ON COMMONLY APPLICABLE ITEMS AND
SUIT THE INDIVIDUAL CIRCUMSTANCES OF EACH
ATTENTION TO DISCLOSURES HIGHLIGHTED IN BLUE
AND REQUIRE SIGNIFICANT INPUT FROM THE USER.

ARE BASED ON COMMONLY APPLICABLE ITEMS AND
SUIT THE INDIVIDUAL CIRCUMSTANCES OF EACH
ATTENTION TO DISCLOSURES HIGHLIGHTED IN BLUE
AND REQUIRE SIGNIFICANT INPUT FROM THE USER.

Musina Local Municipality NOTES TO THE FINANANCIAL STATEMENTS for the year ended 30 June 2016						
PROPERTY, PLANT AND EQUIPMENT						
Reconciliation of Carrying Value	Land	Buildings	Infrastructure	Community	Other Assets**	Finance lease assets
	R	R	R	R	R	R
for the year ended June 2015	28 707 202	43 258 720	157 953 110	33 256 551	11 233 190	873 141
Cost/Revaluation	28 707 202	54 432 506	307 461 000	36 377 255	19 780 023	2 115 932
Correction of error (note 39)	-	2 891	-	-	-	2 891
Accumulated depreciation and impairment losses	-	-11 176 677	-149 507 890	-3 120 704	-8 546 833	-1 242 791
Acquisitions	-	3 099 222	8 990 948	245 238	3 437 159	-
Capital under Construction	-	6 119 170	1 673 181	411 807	-	-
Depreciation	-	-1 792 887	-19 050 956	-1 221 738	-3 158 904	-290 544
Carrying value of disposals	-	-81 012	-	-	-72 258	-
Cost/Revaluation	-	-167 817	-	-	-265 686	-
Accumulated depreciation and impairment losses	-	86 805	-	-	193 428	-
Impairment loss/Reversal of impairment loss	-	-	-8 637 799	-	-	-
Transfers	-	-2 624 901	-	-	-	-
Other movements*	-	-	-	-	-	-
for the year ended June 2016	28 707 202.00	47 978 312.17	140 928 484.74	32 691 858	11 439 237	582 597
Cost/Revaluation	28 707 202	60 858 180	318 125 129	37 034 301	22 951 495	2 115 932
Accumulated depreciation and impairment losses	-	-12 879 868	-177 196 645	-4 342 442	-11 512 259	-1 533 335
** Other Assets consists of Equipment, Furniture, and Vehicles. Details of the sub-categories is indicated in Appendix B						
Refer to Appendix B for more detail on property, plant and equipment						
Land: Properties to the value of R 30 000 for which title deeds are registered under the name of the Municipality, have not been included in the Municipality's financial records. These properties, and other land parcels, vacant and improved, over which the municipality does not execute any form of control or have any legal claim to ownership. This are properties which were auctioned by the Municipality before year end.						

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Musina Local Municipality
NOTES TO THE FINANANCIAL STATEMENTS
for the year ended 30 June 2015

Reconciliation of Carrying Value	Land	Buildings	Infrastructure	Community	Other Assets	Finance lease assets	Total
	R	R	R	R	R	R	R
for the year ended June 2014	28 707 202	40 726 023	151 504 510	33 052 987	7 632 620	1 392 990	263 016 332
Cost/Revaluation	28 707 202	50 225 534	287 120 816	35 006 797	16 558 600	2 139 963	419 758 912
Accumulated depreciation and impairment losses	-	-9 499 511	-135 616 306	-1 953 810	-8 925 980	-746 973	-156 742 580
Acquisitions	-	3 004 947	74 461	-	4 214 237	-	7 293 645
Capital under Construction	-	1 202 025	25 620 895	1 370 458	-	-	28 193 378
Depreciation	-	-1 677 166	-20 657 274	-1 166 894	-2 936 860	-513 814	-26 952 008
Carrying value of disposals	-	-	-3 486 237	-	3 397 959	17 996	-70 283
Cost/Revaluation	-	-	-5 355 172	-	-992 814	-	-6 347 986
Accumulated depreciation and impairment losses	-	-	1 868 934	-	4 390 773	17 996	6 277 703
Impairment loss/Reversal of impairment loss	-	-	4 763 749	-	-	-	4 763 749
Transfers	-	-	-	-	6 645 479	-6 645 479	-
*Other movements	-	-	-	-	-4 642 661	4 642 661	-
for the year ended June 2015	28 707 202	43 255 829	157 953 110	33 256 551	11 233 190	873 141	275 279 023
Cost/Revaluation	28 707 202	54 432 506	307 461 000	36 377 255	19 780 023	2 115 932	448 873 918
Accumulated depreciation and impairment losses	-	-11 176 677	-149 507 890	-3 120 704	-8 546 833	-1 242 791	-173 594 895

Note: All figures are pulled through from Appendix B

** Other Assets consists of Equipment, Furniture, and Vehicles. Details of the sub-categories is indicated in Appendix B
Refer to Appendix B for more detail on property, plant and equipment

Musina Local Municipality
NOTES TO THE FINANANCIAL STATEMENTS
for the year ended 30 June 2016

MFMA & standards ref:

APPLICABLE ITEMS AND SHOULD BE TAILORED TO SUIT THE
INDIVIDUAL CIRCUMSTANCES OF EACH MUNICIPALITY. PAY
PARTICULAR ATTENTION TO DISCLOSURES HIGHLIGHTED IN BLUE -
THESE ARE EXAMPLES ONLY AND REQUIRE SIGNIFICANT INPUT
FROM THE USER. HOWEVER, ALL THE DISCLOSURES SHOULD BE

INTANGIBLE ASSETS

Reconciliation of carrying value

	2016	2015
for the year ended 30 June 2016		
OPENING BALANCE	93 056	193 348
Cost	300 875	458 436
Accumulated amortisation and impairment losses	-207 819	-265 088
Acquisitions	-	-
Amortisation	-31 014.24	(100 292)
Carrying value of disposals	-	-
Cost	-	(157 560)
Accumulated amortisation	-	157 560
CLOSING BALANCE	62 043	93 056
Cost	300 875	300 876
Accumulated amortisation and impairment losses	-238 833	-207 820

Note: "Other" should be replaced by inserting an additional column for each individually significant / material class of intangible assets. If not individually significant / material, "other" may be appropriate. It is recommended that a narrative explanation of "other" be provided. Remember to delete any unused rows / columns.

INVESTMENT PROPERTY

Reconciliation of fair value

	2016	2015
OPENING BALANCE	175 385 300	148 736 000
Cost	-	-
Fair value adjustment	-	26 649 300
	345 901	-
Transfers	(2 279 000)	-
Additions	2 624 901	-
CLOSING BALANCE	175 731 201	175 385 300

GRAP 16

Note: Delete note if not applicable (if the municipality has no investment property or if investment property is not carried at cost

Note: Specify the type of investment

Note: Specify the type of investment

Investment property includes property held to earn income and for capital appreciation, rather than held to meet service delivery objectives, the production or supply of goods or services, or the sale of an asset in the ordinary course of operations.

The fair value of the entity's investment property at 30 june 2016 has been arrived at on the basis of a valuation carried out at that date by Eli Stroh valuers, independent valuers that are not related to the entity. Eli stroh Valuers are members of the South african institute of valuers, and they have appropriate qualifications and recent experience in the valuation of properties in the relevant locations. The valuation , which conforms to south africa's Valuation standards, was arrived at by reference to market evidence of transaction prices for similar properties.

Land: Properties to the value of R 1 225 000 for which title deeds are registered under the name of the Municipality, have not been included in the Municipality's financial records. These properties, and other land parcels, vacant and improved, over which the municipality does not execute any form of control or have any legal claim to ownership. This are properties which were auctioned by the Municipality before year end.

Musina Local Municipality
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2016

APPLICABLE ITEMS AND SHOULD BE TAILORED TO SUIT THE
INDIVIDUAL CIRCUMSTANCES OF EACH MUNICIPALITY. PAY

HERITAGE ASSETS

	2016	2015
OPENING BALANCE	78 910	78 910
Cost	-	-
Fair value adjustment	-	-
CLOSING BALANCE	78 910	78 910

Heritage assets are assets that have a cultural, environmental, historical, natural, scientific, technological or artistic significance and are held indefinitely for the benefit of present and future generations.

All heritage asset were acquired through a non-exchange transaction, as a result the heritage assets costs were measured at its fair value. The heritage assets were fair valued at year end by an independent Valuer -Eli Stroh Pty Ltd, using methods and assumptions consistent with Grap 103. No indications of changes in market conditions and fair values of heritage assets were identified by the independent values during the current financial year
Heritage assets were valued by the firm Eli Stroh Pty Ltd on 30 June 2016

Musina Local Municipality
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2016

20162015

PAYABLES FROM EXCHANGE TRANSACTIONS

Trade creditors	1 244 205	887 620	
Payments received in advance	5 613 314	3 190 065	
Retentions	3 604 417	3 680 117	
Creditors - provisions	116 080 002	59 401 483	87 876 432.99
Other Revenue	564 747	672 126	
Cemetery Upgrade- Vhembe Grant	2 481 568	2 481 568	
Sale of stands	22 269 274	17 213 808	
Solly Noor	4 062 504	4 143 913	
Provision for leave	13 374 266	12 298 231	1 076 034
Total	169 294 296	103 968 931	

The fair value of trade and other payables approximates their carrying amounts.

CONSUMER DEPOSITS

Electricity/Refuse	4 496 302	4 324 679
Total	4 496 302	4 324 679

Guarantees held in lieu of Electricity	1 606 928	1 177 004
---	------------------	------------------

VAT	17 617 749	13 737 075
VAT receivable	17 617 749	13 737 075

VAT is payable on the receipts basis. VAT is paid over to SARS only once payment is received from debtors.However for the purpose of financial statements VAT is presented on the accrual basis.

PAYABLES FROM NON EXCHANGE TRANSACTIONS

Vhembe District Municipality	142 334 292	99 275 961
Department Transport	30 686 678	28 474 950
	173 020 970	127 750 911

EMPLOYEE BENEFITS

Annual Bonus	2 531 674	2 361 886
Performance Bonus	632 393	370 217
Provision for long-service awards-Current Portion	253 957	413 204
Provision for long-service awards- Non-Current Portion	4 288 202	3 562 670
	7 706 226	6 707 977

LONG SERVICE AWARDS

Balance at the beginning of year	3 975 874	3 284 521
Contributions to provision	566 285	691 353
Balance at the end of year	4 542 159	3 975 874

Reconciling and projecting the unfunded accrued liability

Musina Local Municipality
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2016

20162015

Unfunded Accrued Liability

Opening balance	3 975 874	3 284 521
Current-service cost	552 865	414 788
Interest cost	308 107	252 842
Acturial (Gain)/Loss	118 523	331 851
Expected employer benefit vesting	-413 204	-308 128
Employer prefunding contributions		
Closing Balance	4 542 165	3 975 874
Projected accrued liability	4 423 636	3 644 023

Net liability to reflect in the balance sheet

Opening balance	3 975 874	3 284 521
Current-service cost	552 865	414 788
Interest cost	308 107	252 842
Actuarial (Gain)/loss recognised in P&L	118 523	331 851
Net Predioc Cost Recognised in P&L	4 955 369	4 284 002
Actual employer benefits payments	-413 204	-308 128

Closing Balance	4 542 165	3 975 874
-----------------	-----------	-----------

Long service award projections/provisions is an actuarial assumption. This is the total value of the long service awards that were expected to be awarded to eligible employees over the year based on the data at the previous valuation date.

The Municipality offers employees LSA for every five years of service completed, from ten years of service to 45 years of service.

Long service Awards for levels of past service

Completed service(In years)	Long service Bonus (% of annual Salary)	Description
10	4.0%	10 /250* annual salary
15	8.0%	20 /250* annual salary
20,25,30,35,40,45	12.0%	30 /250* annual salary

Key financial assumptions

Assumption	Value p.a
Discount rate	8.64%
General Salary inflation (Long-term)	7.29%
Net effective discount rate	1.26%

The salaries used in the valuation include an assumed increase on 1 july 2016 of 6%. The next salary increase was assumed to take place on 1 July 2017

UNSPENT CONDITIONAL GRANTS AND RECEIPTS

Unspent Conditional Grants from other spheres of Government

MIG Grants	-	8 455 860
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See Note 24.5 for reconciliation of grants and receipts. These amounts are invested in ring-fenced investment until utilised.

Musina Local Municipality
NOTES TO THE FINANANCIAL STATEMENTS
for the year ended 30 June 2016

20162015

BORROWINGS

Long Term Portion

DBSA
ABSA

10 238 970	12 232 826
5 869 535	10 018 690
16 108 505	22 251 517

Short Term Portion

DBSA
ABSA

1 993 856	1 804 824
4 173 703	3 836 918
6 167 559	5 641 742

Total

22 276 064	27 893 259
------------	------------

Refer to Appendix A for more detail on borrowings.

FINANCE LEASE LIABILITY

for the year ended June 2016

Amounts payable under finance leases

Minimum lease payment R	Future finance charges R	Present value of minimum lease payments R
35 058	-454	34 604
35 058	-454	34 604
		-34 604
		-

The entity entered into a finance lease with ABSA for the finance of a vehicle purchased, over a 5 year lease term. The average effective borrowing rate on the vehicle finance is 8% per annum and interest is charged at the beginning of each month. The vehicle fiance lease agreement does not provide for contingent lease payments. There were no defaults or breaches and the no terms and conditions were renegotiated during the reporting period.

for the year ended June 2015

Amounts payable under finance leases

Minimum lease payment R	Future finance charges R	Present value of minimum lease payments R
717 174	-41 032	676 142
34 948	-410	34 538
752 122	-41 442	710 680
		-676 142
		34 538

The average lease term is 5 years and the average effective borrowing rate is 8.50%. Interest rates are fixed at the contract date. No arrangements have been entered into for contingent rent. Obligations under finance leases are secured by the lessor's title to the leased asset.

#REF!
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Musina Local Municipality

NOTES TO THE FINANANCIAL STATEMENTS

for the year ended 30 June 2016

2016

2015

LANDFILL SITE

Balance at the beginning of year	7 948 393	4 724 837
Contributions to provision	516 890	3 223 556
Balance at the end of year	8 465 283	7 948 393

The provision for rehabilitation of landfill sites relates to the legal obligation to rehabilitate landfill sites used for waste disposal.

PROPERTY RATES

Actual		
Residential	4 109 530	3 631 821
Commercial	3 346 468	3 112 339
Light Industries	900 886	913 088
Farms	3 532 034	3 219 205

Musina Local Municipality

APPENDIX A

SCHEDULE OF EXTERNAL LOANS

as at 30 June 2016

Loan number	Redeemable Date	Balance at 30 June 2015 R	Received during the period R	Redeemed / written off during the period R	Balance at 30 June 2016 R
102400	30/06/2026	14 037 650.16		(1 804 824)	12 232 826.99
		13 844 822.30	-	(3 901 585)	10 043 237.71
77190790	02/06/2016	230 063.05		136 000	94 063.05
		28 113 167.83	-	(5 802 500)	22 310 668.00

Musina Local Municipality
APPENDIX B
ANALYSIS OF PROPERTY PLANT AND EQUIPMENT
as at 30 June 2016

	Cost / Revaluation						Accumulated Depreciation						Transfers	Other movements
	Opening Balance	Additions	Movement	Disposals	Under Construction	Closing Balance	Opening Balance	Depreciation	Movement	Disposals	Impairment loss/Reversal of impairment loss	Closing Balance		
	R	R		R	R	R	R	R		R	R	R	R	R
Land														
Land	28 707 202	-	-	-	-	28 707 202	-	-	-	-	-	-	-	-
Landfill Sites	-	-		-	-	-	-	-		-	-	-	-	-
Quarries	-	-		-	-	-	-	-		-	-	-	-	-
	28 707 202	-	-	-	-	28 707 202	-	-	-	-	-	-	-	-
Buildings	54 432 506	3 099 222	-2 624 901	-167 817	6 119 170	60 858 180	-11 173 786	-1 792 887		86 805	-	-12 879 868	-	-
Infrastructure														
Drains	-	-		-	-	-	-	-		-	-	-	-	-
Roads	217 198 802	3 208 507		-	-	220 407 309	-114 888 522	-12 512 784		-	-	-127 401 306	-8 637 799	-
Sewerage Mains & Purification	1 039 782	-		-	-	1 039 782	-409 773	-24 500		-	-	-434 273	-	-
Electricity Mains	88 743 592	-		-	1 673 181	90 416 773	-33 837 177	-5 872 797		-	-	-39 709 974	-	-
Electricity Peak Load Equip	-	-		-	-	-	-	-		-	-	-	-	-
Water Mains & Purification	-	-		-	-	-	-	-		-	-	-	-	-
Reservoirs – Water	-	-		-	-	-	-	-		-	-	-	-	-
Water Meters	-	-		-	-	-	-	-		-	-	-	-	-
Storm Water	478 824	5 782 441		-	-	6 261 265	-372 418	-640 875	-	-	-	-1 013 292	-	-
	307 461 000	8 990 948	-	-	1 673 181	318 125 129	-149 507 890	-19 050 956	-	-	-	-168 558 846	-8 637 799	-
Community Assets														
Parks & Gardens	4 219 566	-		-	-	4 219 566	-239 898	-142 128		-	-	-382 026	-	-
Libraries	-	-		-	-	-	-	-		-	-	-	-	-
Recreation Grounds	-	-		-	-	-	-	-		-	-	-	-	-
Civic Buildings	-	-		-	-	-	-	-		-	-	-	-	-
Stadiums	32 157 690	245 238		-	411 807	32 814 735	-2 880 806	-1 079 610		-	-	-3 960 416	-	-
Halls	-	-		-	-	-	-	-		-	-	-	-	-
Theatre	-	-		-	-	-	-	-		-	-	-	-	-
Swimming Pools	-	-		-	-	-	-	-		-	-	-	-	-
Cemeteries	-	-		-	-	-	-	-		-	-	-	-	-
	36 377 255	245 238	-	-	411 807	37 034 301	-3 120 704	-1 221 738	-	-	-	-4 342 442	-	-
Heritage Assets														
Historical Buildings	-	-		-	-	-	-	-		-	-	-	-	-
Paintings & Artifacts	-	-		-	-	-	-	-		-	-	-	-	-
	-	-		-	-	-	-	-		-	-	-	-	-
Total carried forward	426 977 963	12 335 409		-167 817	8 204 158	444 724 813	-163 802 380	-22 065 581	-	86 805	-	-185 781 156	-8 637 799	-

Musina Local Municipality
APPENDIX B
ANALYSIS OF PROPERTY PLANT AND EQUIPMENT
as at 30 June 2016

	Cost / Revaluation						Accumulated Depreciation						Transfers	Other movements
	Opening Balance	Additions	Movement	Disposals	Under Construction	Closing Balance	Opening Balance	Depreciation	Movement	Disposals	Impairment loss/Reversal of impairment loss	Closing Balance		
	R	R		R	R	R	R	R		R	R	R	R	R
Total brought forward	426 977 963	12 335 408.68		-167 817	8 204 158	444 724 813	-163 802 380	-22 065 581		86 805	-	-185 781 156	-8 637 799	-
Other Assets														
Office Equipment	2 340 164	231 297.54	-	-96 583	-	2 474 878	-1 168 448	-243 916	-	74 784	-	-1 337 580	-	-
Furniture & Fittings	2 401 615	1 660 650.00	-	-119 696	-	3 942 569	-1 508 495	-397 796	-	93 386	-	-1 812 905	-	-
Bins and Containers	1 727 691	-		-55	-	1 727 636	-589 375	-62 436	-	50	-	-651 761	-	-
Emergency Equipment	-	-		-	-	-	-	-		-	-	-	-	-
Motor vehicles	11 932 192	1 444 798.00	-	-	-	13 376 990	-4 510 164	-2 254 778	-	-	-	-6 764 942	-	-
Plant & Equipment	1 070 142	100 413.00	-	-17 600	-	1 152 955	-651 389	-114 175	-	8 964	-	-756 600	-	-
Car Port	8 494	-		-	-	8 494	-4 636	-772		-	-	-5 408	-	-
Computer Equipment	299 725	-	-	-31 752	-	267 973	-114 327	-85 031	-	16 294	-	-183 064	-	-
Computer Software (part of computer equipment)	-	-		-	-	-	-	-		-	-	-	-	-
Other Assets	-	-		-	-	-	-	-		-	-	-	-	-
	19 780 023	3 437 159	-	-265 686	-	22 951 495	-8 546 833	-3 158 903.63	-	193 478.00	-	-11 512 259	-	-
Finance Lease Assets														
Office Equipment	2 115 932	-	-	-	-	2 115 932	-1 242 791	-290 544.00	-	-	-	-1 533 335	-	-
Other Assets	-	-		-	-	-	-	-		-	-	-	-	-
	2 115 932	-	-	-	-	2 115 932	-1 242 791	-290 544	-	-	-	-1 533 335	-	-
Total	448 873 918	15 772 567		-433 503	8 204 158	469 792 240	-173 592 004	-25 515 029	-	280 283	-	-198 826 750	-8 637 799	-

Musina Local Municipality
APPENDIX B
ANALYSIS OF PROPERTY PLANT AND EQUIPMENT
as at 30 June 2015

	Cost / Revaluation						Accumulated Depreciation						Transfers	Other movements
	Opening Balance	Additions	Movement	Disposals	Under Construction	Closing Balance	Opening Balance	Depreciation	Movement	Disposals	Impairment loss/Reversal of impairment loss	Closing Balance		
	R	R		R	R	R	R	R		R	R	R	R	R
Land														
Land	28 707 202	-	-	-		28 707 202					-	-	-	-
Sport Fields	-	-		-	-	-	-	-		-	-	-	-	-
Quarries	-	-		-	-	-	-	-		-	-	-	-	-
	28 707 202	-	-	-	-	28 707 202	-	-	-	-	-	-	-	-
Buildings	50 225 534	3 004 947		-	1 202 025	54 432 506	-9 499 511	-1 677 166		-	-	-11 176 677	-	-
Infrastructure														
Drains	-	-		-	-	-	-	-		-	-	-	-	-
Roads	204 382 264	74 461		-5 280 474	18 022 551	217 198 802	-109 652 456	-11 831 958		1 832 143	4 763 749	-114 888 522	-	-
Sewerage Mains & Purification	631 178	-		-30 121	-	601 057	-118 819	-22 542		12 668	-	-128 693	-	-
Electricity Mains	81 145 248	-		-	7 598 344	88 743 592	-25 145 809	-8 691 368		-	-	-33 837 177	-	-
Electricity Peak Load Equip	-	-		-	-	-	-	-		-	-	-	-	-
Water Mains & Purification	-	-		-	-	-	-	-		-	-	-	-	-
Reservoirs – Water	127 610	-		-44 577	-	83 033	-69 153	-5 001		24 123	-	-50 031	-	-
Water Meters	355 692	-		-	-	355 692	-177 847	-53 203		-	-	-231 050	-	-
Storm Water	478 824	-		-	-	478 824	-319 215	-53 203	-	-	-	-372 418	-	-
	287 120 816	74 461	-	-5 355 172	25 620 895	307 460 999.98	-135 483 299	-20 657 274	-	1 868 934	4 763 749	-149 507 890	-	-
Community Assets														
Parks & Gardens	4 219 566	-		-	-	4 219 566	-99 246	-140 652		-	-	-239 898	-	-
Libraries	-	-		-	-	-	-	-		-	-	-	-	-
Recreation Grounds	-	-		-	-	-	-	-		-	-	-	-	-
Civic Buildings	-	-		-	-	-	-	-		-	-	-	-	-
Stadiums	30 787 232	-		-	1 370 458	32 157 690	-1 854 564	-1 026 242		-	-	-2 880 806	-	-
Halls	-	-		-	-	-	-	-		-	-	-	-	-
Theatre	-	-		-	-	-	-	-		-	-	-	-	-
Swimming Pools	-	-		-	-	-	-	-		-	-	-	-	-
Cemeteries	-	-		-	-	-	-	-		-	-	-	-	-
	35 006 797	-	-	-	1 370 458	36 377 255	-1 953 810	-1 166 894	-	-	-	-3 120 704	-	-
Heritage Assets														
Historical Buildings	-	-		-	-	-	-	-		-	-	-	-	-
Paintings & Artifacts	-	-		-	-	-	-	-		-	-	-	-	-
	-	-		-	-	-	-	-		-	-	-	-	-
Total carried forward	401 060 349	3 079 408	-	-5 355 172	28 193 378	426 977 963	-146 936 620	-23 501 334	-	1 868 934	4 763 749	-163 805 271	-	-

Musina Local Municipality
APPENDIX B
ANALYSIS OF PROPERTY PLANT AND EQUIPMENT
as at 30 June 2015

	Cost / Revaluation						Accumulated Depreciation							Other movements
	Opening Balance	Additions	Movement	Disposals	Under Construction	Closing Balance	Opening Balance	Depreciation	Movement	Disposals	Impairment loss/Reversal of impairment loss	Closing Balance		
	R	R		R	R	R	R	R		R	R	R	R	R
Total brought forward	401 060 349	3 079 408		-5 355 172	28 193 378	426 977 963	-146 936 620	-23 501 334		1 868 934	4 763 749	-163 805 271	-	-
Other Assets														
Office Equipment	1 961 188	485 824	-	-106 848	-	2 340 164	-862 184	-384 006	-	77 742	-	-1 168 448	-	-
Furniture & Fittings	2 441 642	2 912	-	-42 938	-	2 401 615	-1 200 555	-323 321	-	15 382	-	-1 508 495	-	-
Bins and Containers	1 594 110	133 581		-	-	1 727 691	-286 223	-303 152		-	-	-589 375	-	-
Emergency Equipment	-	-		-	-	-	-	-		-	-	-	-	-
Motor vehicles	8 600 628	3 331 564	-	-	-	11 932 192	-2 853 590	-1 656 574	-	-	-	-4 510 164	-	-
Fire engines	1 685 972	198 265	-	-814 095	-	1 070 142	-1 110 254	-204 542	-	663 407	-	-651 389	-	-
Refuse tankers	8 494	-		-	-	8 494	-2 937	-1 699	-	-	-	-4 636	-	-
Computer Equipment	266 566	62 092	-	-28 933	-	299 725	-60 406	-63 565	-	9 644	-	-114 327	-	-
Computer Software (part of computer equipment)	-	-		-	-	-	-	-		-	-	-	-	-
Other Assets	-	-		-	-	-	-	-		-	-	-	-	-
Finance Lease Assets	16 558 600	4 214 237	-	-992 814	-	19 780 023	-6 376 149	-2 936 860	-	766 176	-	-8 546 833	-	-
Office Equipment	2 139 963	-		-24 031	-	2 115 932	-746 973	-513 814	-	17 996	-	-1 242 791	-	-
Other Assets	-	-		-	-	-	-	-		-	-	-	-	-
	2 139 963	-	-	-24 031	-	2 115 932	-746 973	-513 814	-	17 996	-	-1 242 791	-	-
Total	419 758 912	7 293 645	-	-6 372 017	28 193 378	448 873 918	-154 059 742	-26 952 008	-	2 653 105	4 763 749	-173 594 895	-	-

Unaudited Annexure schedule

[illegible]

Unaudited Annexure schedule

Musina Local Municipality
APPENDIX D
SEGMENTAL STATEMENT OF FINANCIAL PERFORMANCE
for the year ended 30 June 2016

2015 Actual Expenditure	2015 Surplus / (Deficit)		2016 Actual Income	2016 Actual Expenditure	2016 Surplus / (Deficit)
R	R		R	R	R
53 129 967	(30 803 952)	Executive & Council	21 183 834	60 781 039	(39 597 206)
10 942 445	(10 942 445)	Municipal Manager		11 937 884	(11 937 884)
6 184 221	38 098 072	Financial Services	53 274 194	44 587 170	8 687 024
14 962 356	(13 895 356)	Planning & Development	1 112 000	19 254 668	(18 142 668)
	-	Health		-	-
19 327 643	(10 417 710)	Community & Services	8 755 519	24 322 100	(15 566 580)
16 004 811	(16 004 811)	Corporate Services		14 326 547	(14 326 547)
94 870 450	(4 375 304)	Technical Services	21 532 859	26 796 974	(5 264 115)
	-	Environmental Protection			-
-	-	Waste Management	12 852 547	5 737 093	7 115 454
-	-	Road Transport	-	-	-
-	-	Electricity	91 623 988	72 748 021	18 875 966
-	-	Other		-	-
215 421 893	(48 341 506)		210 334 941	280 491 496	(70 156 556)
		Less: Inter-Department Charges			
215 421 893	(48 341 506)	Total	210 334 941	280 491 496	(70 156 556)

ure schedule

APPENDIX E1
Reconciliation of Budget Summary

2015/2016											2010/2011			
Original Budget	Budget Adjustments (i.t.o. s28 and s31 of the MFMA)	Final adjustments budget	Shifting of funds (i.t.o. s31 of the MFMA)	Virement (i.t.o. Council approved policy)	Final Budget	Actual Outcome	Unauthori sed expenditu re	Variance	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget	Reported unauthori sed expenditu re	Expendit ure authorise d in terms of section 32 of MFMA	Balance to be recovered	Restated Audited Outcome
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
15 163 000	(541 733)	14 621 267		-	14 621 267	13 396 397		(1 224 870)	92	(8)			-	
109 911 270	2 712 861	112 624 131		-	112 624 131	104 476 535		(8 147 596)	93	(7)			-	
210 000	336 888	546 888		-	546 888	897 003		350 115	164	167			-	
51 587 000	-	51 587 000		-	51 587 000	51 587 000		-	100	-			-	
51 772 066	(9 997 815)	41 774 251		-	41 774 251	18 445 146		(23 329 105)	44	(45)			-	
228 643 336	(7 489 799)	221 153 537	-	-	221 153 537	188 802 081	-	(32 351 456)	85	(14)	-	-	-	-
100 564 364	(1 485 696)	99 078 668		(1 897 041)	97 181 627	98 891 829		1 710 202	102	2			-	
3 911 811	14 672	3 926 483		-	3 926 483	3 926 484		1	100	0			-	
529 000	15 603 227	16 132 227		-	16 132 227	16 262 215		129 988	101	25			-	
26 394 000	-	26 394 000		-	26 394 000	25 546 043		(847 957)	97	(3)			-	
1 735 578	1 850 220	3 585 798		-	3 585 798	2 646 592		(939 206)	74	(54)			-	
54 183 200	17 500 000	71 683 200		(2 197 719)	69 485 481	69 396 157		(89 324)	100	(0)			-	
7 687 712	(692 600)	6 995 112		6 000	7 001 112	7 001 009		(103)	100	(0)			-	
3 501 664	1 850 000	5 351 664		-	5 351 664	5 328 025		(23 639)	100	(1)			-	
17 894 444	24 643 922	42 538 366		4 088 760	46 627 126	51 493 143		4 866 017	110	27			-	
216 401 773	59 283 745	275 685 518	-	-	275 685 518	280 491 496		4 805 978	102	2			-	
12 241 563	(66 773 544)	(54 531 981)	-	-	(54 531 981)	-91 689 415	-	(37 157 434)	(16)	(16)	-		-	
-		-			-	-		-	#DIV/0!	#DIV/0!			-	
-		-		-	-	-		-	#DIV/0!	#DIV/0!			-	
-	-	-	-	-	-	-		-					-	
-		-			-	-		-					-	
12 241 563	(66 773 544)	(54 531 981)	-	-	(54 531 981)	-91 689 415	-	(37 157 434)	(16)	(16)			-	
-		-			-	-		-	#DIV/0!	#DIV/0!			-	
-		-		-	-	-		-	-	-			-	
-		-		-	-	-		-	#DIV/0!	#DIV/0!			-	
-	-	-	-	-	-	-	-	-	#DIV/0!	#DIV/0!	-	-	-	-
													-	
													-	
						-							-	

APPENDIX E2

Reconciliation of Budgeted Financial Performance (revenue and expenditure by standard classification)

2015/2016											2010/2011			
Original Budget	Budget Adjustments (i.t.o. s28 and s31 of the MFMA)	Final adjustments budget	Shifting of funds (i.t.o. s31 of the MFMA)	Virement (i.t.o. Council approved policy)	Final Budget	Actual Outcome	Unauthorised expenditure	Variance	Actual Outcome as % of Final Budget	Actual Outcome as % of Original Budget	Reported unauthorised expenditure	Expenditure authorised in terms of section 32 of MFMA	Balance to be recovered	Restated Audited Outcome
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
54 130 763	-6 258 628	47 872 135		-	47 872 135	21 183 834		(26 688 301)	44	(49)			-	
52 848 000	167 941	53 015 941		-	53 015 941	53 274 194		258 253	100	0			-	
-	-	-		-	-	-		-	-	-			-	
82 844	32 640	115 484		-	115 484	124 870		9 386	108	11			-	
-	597 845	597 845		-	597 845	455 642		(142 203)	76	#DIV/0!			-	
-	205 370	205 370		-	205 370	447 175		241 805	218	#DIV/0!			-	
-	-	-		-	-	-		-	-	-			-	
-	-	-		-	-	-		-	-	-			-	
1 112 000	-	1 112 000	-	-	1 112 000	1 112 000		-	100	-			-	
10 558 459	-4 947 828	5 610 631		-	5 610 631	7 727 833		2 117 202	138	20			-	
-	-	-		-	-	-		-	-	-			-	
-	-	-		-	-	-		-	-	-			-	
95 421 887	2 269 604	97 691 491		-	97 691 491	91 623 988		(6 067 503)	94	(6)			-	
14 489 383	443 257	14 932 640		-	14 932 640	12 852 547		(2 080 093)	86	(14)			-	
228 643 336	-7 489 799	221 153 537	-	-	221 153 537	188 802 081	-	(32 351 456)	85	(14)			-	

42 067 683	12 247 350	54 315 033		-	54 315 033	60 781 039		6 466 006	112	15			-	
12 565 958	322 975	12 888 933		-	12 888 933	11 937 884		(951 049)	93	(8)			-	
24 446 075	18 734 474	43 180 549		-	43 180 549	44 587 170		1 406 621	103	6			-	
13 167 161	245 884	13 413 045		-	13 413 045	14 326 547		913 502	107	7			-	
8 183 451	-2 318 619	5 864 832		-315 879	5 548 953	5 548 948		(5)	100	(0)			-	
3 952 381	13 388 909	17 341 290		1 121 237	18 462 527	18 462 523		(4)	100	(0)			-	
5 752 748	-710 659	5 042 089		-1 158 306	3 883 783	3 883 783		0	100	0			-	
1 267 944	-540 038	727 906		-10 778	717 128	717 128		0	100	0			-	
719 435	231 345	950 780		-35 582	915 198	915 199		1	100	0			-	
7 284 048	15 034 978	22 319 026		-	22 319 026	19 254 668		(3 064 358)	86	(42)			-	
35 501 968	-14 313 995	21 187 973		308 081	21 496 054	21 591 492		95 438	100	0			-	
-	-	-		-	-	-		-	-	-			-	
52 627 014	18 754 081	71 381 095		1 427 098	72 808 193	72 748 021		(60 172)	100	(0)			-	
8 865 907	-1 792 940	7 072 967		-1 335 871	5 737 096	5 737 093		(3)	100	(0)			-	
216 401 773	59 283 745	275 685 518	-	-	275 685 518	280 491 496	-	4 805 978	1 301	(21)			-	

12 241 563	-66 773 544	-54 531 981	-	-	-54 531 981	-91 689 415	-	(37 157 434)	(1 216)	7	-	-	-	
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